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## Media Release

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### **Attorney General Biden announces agreement with Publishers Clearing House**

**Wilmington** – Attorney General Beau Biden joined 31 states and the District of Columbia today to announce an agreement with sweepstakes company Publishers Clearing House. The agreement comes after a multi-state investigation into the company raised concerns about deceptive trade practices.

“There is no excuse for misleading vulnerable people into spending their hard-earned money,” said Biden. “The Delaware Department of Justice will continue to stand up for the rights of Delaware’s consumers against companies that would take advantage of them.”

The agreement modifies the terms of a prior agreement reached with the company in 2001. That earlier agreement resolved States’ allegations that Publishers Clearing House engaged in deceptive marketing practices by mailing promotional materials designed to mislead customers into believing that purchases from the company would increase their odds of winning the sweepstakes.

As a result of the current investigation, the States believe that Publishers Clearing House was not in full compliance with the 2001 agreement, and that consumers would still be confused by the nature and language of some of the company’s sweepstakes promotional mailings.

Today’s agreement includes stronger provisions and additional conditions to help ensure that consumers are not further misled or pushed to make purchases. The conditions include:

- Changes to the entry/order form that make it clear no purchase is necessary
- Prohibiting the use of a customer’s initials, identifying numbers, or other personally identifying information on materials to make it appear as though recipients have a better chance of winning
- Implementing procedures to guard against duplicate magazine subscriptions

Publishers Clearing House agreed to pay \$3.5 million to cover the cost of the states’ investigation. Delaware will receive \$40,000 in the agreement, which will go to the State’s Consumer Protection Fund.

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